Modeling rent & office needs

FINANCIAL MODELING

LECTURE SUMMARY

Covered in this lecture:

Rent & office expenses

- **The easy way:**

  Use a per person per month cost as an assumption for each line item cost

- The resulting costs will be the headcount times each of the corresponding monthly costs per headcount per month

- **The better way:**

  In real life, you don't get to expand on demand and add office space as you add employees

- You pick an office and when you have too many people for it, you move to a bigger office

See you next lecture!